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Journal homepage: www.publishing.globalcsrc.org/jbsee**Marketing Performance and Organizational Commitment to Syariah Banks in Makassar City**^{1*}Ida Farida, ²Syahnur Said¹ PhD Scholar, Universitas Fajar, Indonesia. damood.id@gmail.com² Lecturer, Department of Management, Faculty of Economics, Universitas Muslim Indonesia
syahnur.said@umi.ac.id**ARTICLE DETAILS****History**

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ABSTRACT**Objectives:** This study examines the relationship of market orientation to marketing performance through commitment organization variables, to some Syariah banks in Makassar city which have an economical rate that always positive trend the last ten years.**Methodology:** This research uses SEM PLS analysis.**Result:** The result of hypothesis testing the effect of market orientation on marketing performance through organizational commitment shows from sobel test 1,073 than 1,96 or not significant on the number of samples of 164 employees of Syariah bank in Makassar city. These findings cannot support the hypothesis that was constructed and inconsistent with the statements of Shaw et al (2003), Tourigny, Baba, Han & Wang (2013) that in terms of organizational commitment and performance relationships, many studies rely on how organizational commitment contributes to performance the company as a whole, including according to Dimitriadis & Papalexandris (2011) in a financial perspective.**Implication:** This study advisable to Syariah banks in Makassar City to pay attention organizational commitment because the variabel has the lowest average value and does not succeed to be a mediation variable to market orientation influence the performance marketing.

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Corresponding author's email address: damood.id@gmail.com**Recommended citation:** Farida, I., Said, S. (2018). Marketing Performance and Organizational Commitment to Syariah Banks in Makassar City. *Journal of Business and Social Review in Emerging Economies*, 4(1) 45- 52**DOI:** 10.26710/jbsee.v4i1.362**1. Introduction**

Nowadays, the dynamics of the business environment leads to the rapidly changing business characteristics, the more comfortable access to information, the changing lifestyles and expectations of consumers to the business world, as well as the rapid improvement of business quality and refinement. Gates and Hemingway (1999) describe the dynamics of the business environment as "the era of velocity," that main character is that information, decisions and actions will take place at a speed of thought. Currently, the market share of Syariah banks in Indonesia is around 5% of the total assets of national banking (data 2016). This condition cannot be separated from the growth of third-party funds (DPK) of Syariah banking which has slowed down in recent years. As a result, syariah banking financing has also experienced a slowdown in recent years. The Syariah banking industry in Indonesia is quite slow. It is also related when the current bank holding business expansion is quite aggressive. This is not always

followed by the expansion of subsidiary business in the form of syariah (BUS) commercial bank. The economic development of South Sulawesi from year to year is getting better. It is seen by the economic performance with the development of South Sulawesi economic growth in 2016 of 7.63% remains higher than the national economic growth in 2016 of 5.02% (Economic Review of Bank Indonesia in 2016), as well as the performance of banks in South Sulawesi is getting better, by 2016 from the leading indicators of assets, third-party funds (DPK), and credit / financing channeled, showing an increased tendency and remain at risk awake. This illustrates that the banking industry will still exist in the area of South Sulawesi and banking industry competition will be increasing (1). Whether market orientation affects marketing performance through the commitment of syariah bank organization in Makassar city (2). Does the organization's commitment affect the performance of marketing of syariah bank in Makassar city?

2. Marketing Performance

Marketing performance is a concept to measure marketing achievement of a product. Marketing performance is a common factor used to measure the outcome of a corporate strategy. Therefore the size that should be used is an activity-based measure that can explain marketing activities that result in marketing performance (Ferdinand, 2000). Furthermore, Ferdinand (2000) stated that marketing performance is a factor that is often used to measure the impact of the company's strategy. The company's strategy is always directed to produce marketing performance such as sales volume and excellent sales growth rate as well as good financial performance. Slater and Narver (1995) describe the outcomes of the implementation of corporate strategy as consumer satisfaction, new product success, increased sales, and profitability. So the measurement of the company's marketing performance using the size of unit sales, customer growth, customer turnover, more declared marketing activities and competition (Ferdinand, 2000)

2.1. Organizational Commitment

Robbins and Judge (2008) argue that organizational commitment is a condition in which an employee sides with the goals of the organization and has a desire to maintain membership in the organization. *"Organizational Commitment is the degree to which organizations believe in and accept organizational goals and desire to remain with the organization"* (Mathis and Jackson, 2011). Sopiah (2008) states that organizational commitment is an employee psychological bond to an organization characterized by:

- 1) High trust and acceptance of organizational goals and values,
- 2) Willingness to seek to achieve the interests of the organization,
- 3) A strong desire to maintain a position as an organization member.

Based on these theories can be stated that organizational commitment is an attitude that employees have to remain loyal to the company and are willing to keep working as well as possible for the achievement of organizational goals.

The dimensions of organizational commitment used in this study are those proposed by Meyer and Allen (1991) and Abdullah and Ramay (2012), namely affective commitment, continuance commitment, and normative commitment.

2.2. Market orientation

The concept of marketing and market orientation is seen as one of the focus of marketing management. Narver and Slater (1990) also concluded that market orientation is made up of three behavioral components: customer orientation, competitor orientation and coordination among functions within the organization leading to two decision criteria, namely long-term focus and profitability. Ferdinand (2000) in his research said that market orientation is viewed as an organizational culture that provides an opportunity for a company to achieve a level of effectiveness in managing its internal management process, which in turn can have an impact on improving marketing performance.

2.3. Syariah Banking

The characteristics of syariah banking based on the principle of profit sharing provides a just aspect between the community and the bank. Principles of honesty, partnership, and ethics of investing in

syariah banking provide an attractive and credible alternative solution that can be used for all levels of society.

Syariah comes from Arabic that is the way to the source of life. The definition of syariah in operationalization is used in proposing the legal system by the rules of conduct desired by the Qur'an and Hadith. Syariah-related matters are property rights, resource allocation, income and wealth distribution, production and consumption, as well as market performance (Iqbal & Mirakhor, 1975). The Bank as an organization operating in regulating financial resources is inseparable in syariah arrangements in Islamic view (Iqbal & Mirakhor, 1975). According to RI Law number 21 of 2008 dated July 16, 2008, concerning syariah Banking, syariah Banking is defined as anything that concerns Syariah Bank and Syariah Business Unit, covering institutions, business activities, and ways and processes in conducting their business activities. While an understanding of Bank, Syariah Bank, Syariah Public Bank, Syariah Rural Bank and Syariah Business Unit.

2.3. Conceptual Framework and Hypotheses

Departing from the grand theories put forward by Kohli and Jaworski (1990) and Narver and Slater (1995) stating that market orientation is a sustainable corporate culture construct defined as a "distinct organizational culture", as a "fundamental set of shared beliefs and values "that express the concept that views the most effective organizational culture to create an environment and the habits and behaviors necessary to produce superior value for customers and can produce superior performance over the long term. Moreover, the grand theory expressed by Morgan and Hunt (1994) examines and develops the theory of trust-commitment (the commitment-trust theory). This theory of trust and relational commitment affirms that cooperation between interwoven organizations will be created when built by mutual trust, relational commitment and desire to cooperate in the long run. Based on the theory, conceptual framework this research as below :



3. Methodology

The object of this study is the company engaged in banking institutions, Islamic banks or syariah banks are located in the city of Makassar. The population of this study is the employees of sharia banks in Makassar city of South Sulawesi Province amounting to 277 people. As for the determination of sample with 5% prescribed precision, sampling technique using Slovin model with 164 respondents

4. Result and Discussion

4.1. Overview of Syariah Banks in South Sulawesi

The development of Syariah economic today that has become a lifestyle also penetrated into the city of Makassar whose economic growth is always increasing from year to year so that Islamic Banks grow mushrooming in the city of Makassar, some researchers and observers of syariah banks projected that the total assets of syariah banks in Indonesia is projected to reaching between 1.92% to 2.31% of the national banking industry. Regardless of these projections, the growth of syariah Bank assets in Indonesia will Insha Allah be more growing again due to the side of the regulation that supports and thinking of the meaning of the meaning of syariah itself

PT Bank Muamalat Indonesia Tbk since its establishment in 1992 until now the increasingly recognized capacity also widened its wings to the city of Makassar in the year, since Bank Muamalat main branches

of Makassar opened total assets and profits always show a positive trend or proper status in the version of financial statements. Bank Muamalat can maintain the predicate as the first Syariah bank and the most significant syariah bank in Indonesia, for the city of Makassar also Bank Muamalat is the first Syariah bank to open the central branch office, Bank Muamalat main branch of Makassar located at Jalan Ratulangi which is one of the road protocol for business center, several conventional and Syariah Banks also opened branches in Jl. Ratulangi, BNI Syariah Bank from year to year showed a positive number in the total assets of Syariah Bank. BNI Syariah grew higher when its property financing products were the same once does not charge the revenue share, moment this product began to be introduced to the broader community to coincide with the increasingly attractive property stretching in the eyes of middle and upper economic community into one investment alternative that has quite likely value.

4.2. Research result

To provide an overview of the research variables studied both exogenous and endogenous variables, it is necessary to do a description of research variables. Exogenous variables consist of Market Orientation (X1) and Organizational Commitment (X2) while the endogenous variable is Marketing Performance (Y) which is endogenous target variable. The intervening variable is Organizational Commitment (X2).

The result of the model after processed using SEM with Smart PLS software refers to discriminant validity, convergent validity, and composite reliability.

4.3. Discussion of Research Results

Discussion of the results of this study aims to determine whether the results of this study support or reject the theory or the results of previous research or is the update of the results of research. The explanation of the model of the causal relationship between market orientation, organizational commitment, and marketing performance on the research model shows that the goodness of fit index is acceptable, then interpreted by explaining the causal relationship between the variables.

Based on the conception of thought, the primary purpose of this research is to test and analyze empirically the influence of market orientation on marketing performance mediated by the organizational commitment of syariah banks in Makassar City, the analysis of the influence is done to determine indirect effect between variables. The feasibility test results of the structural model designed and estimated in this research proved to be from the observed data. Discussion on each variable both exogenous and endogenous variables in this study combine some empirical data analysis results from the descriptive approach and multivariate analysis through structural equation modeling. For a more detailed explanation it can be as follows:

4.3.1. Effect of market orientation on Marketing Performance

Hypothesis 1 which states that market orientation has an influence on marketing performance of syariah banks in Makassar. The result of hypothesis test shows the value of regression coefficient 0,54 with a value of statistic equal to 11,18 which value more significant than 1,96, or significant. Thus this research proves that market orientation affects marketing performance of syariah bank in Makassar city.

These results support the research of Jaworski and Kohli (1993), Narver and Slater (1990) indicated that there is a definite relationship between market orientation and some dimensions of organizational performance. Market orientation exists in a set of individual entities formed from the degree to which a company obtains, disseminates and responds to information received by customers, distributors and competitors (Kohli and Jaworski, 1990; Jaworski and Kohli, 1993; Pulendran, Speed, and Widing, 2000; Farrel 2000). The factors that build the market orientation are expected to be well received from recipients obtained from customers, distributors and competitors, both formally and informally.

The matters above indicate that market orientation affects both the downsides of the firm's performance. The more being oriented to the market of a company, in turn, will contribute positively to the marketing performance of the company. This is evidenced by the empirical studies conducted by Jaworski and Kohli (1993) in large corporations. Similar results were also found in small firms to producers (Narver and

Slater, 1990), and to distributors and suppliers (Siguaw al., 1998) and replication research in Australia (Pulendran, Speed and Widing 2000).

4.3.2. Effect of market orientation on organizational commitment

Hypothesis 2 which states that market orientation influences organizational commitment of syariah banks in Makassar. The results of hypothesis testing showed positive regression coefficient of 0.47 with a value of statistics of 10.46 whose value is higher than 1.96 or significant with the number of samples as much as 164. Thus, the hypothesis that market orientation affects organizational commitment can be supported.

These results are consistent with research from Siguaw, Brown, and Widing (1994) suggesting that market orientation affects organizational commitment. Jaworski & Kohli (1993) stated that organizational commitment could be seen as a practical or emotional bond with the organization, reflecting the extent to which employees like the organizations they work for, see their future tied to the organization and willing to make personal sacrifices for it.

These results can confirm the existence of a market orientation philosophy leading to a more meaningful sense of employee commitment, as well as more critical team spirit (Kohli & Jaworski, 1990). When a company operates in a customer-focused environment, employees can consider more future severe employment prospects than they can profit directly in pay and benefits. This tends to inspire high-level loyalty to the organization, motivate employees to work hard, invest in their careers and achieve their future goals and aspirations (Kim, Leong and Lee (2005). Organizational commitment is a psychological state that characterizes employers and has implications in deciding to continue or stop working for the company (Meyer & Allen, 1991).

The argument underlying the establishment of a relationship between market orientation and organizational commitment suggests that the adoption of market orientation tends to increase employee morale, job satisfaction and commitment to the organization as all departments work toward shared goals of external customer satisfaction (Kohli & Jaworski, 1990).

4.3.3. Influence of organizational commitment to marketing performance

Hypothesis 2 which states Organizational commitment influences the marketing performance of syariah banks in Makassar. The result of hypothesis testing shows positive regression coefficient equal to 0.08 with a value of statistic equal to 1.08 smaller than 1.96 or not significant at some samples equal to 164.

This finding cannot support the hypothesis built and is inconsistent with the statements of Shaw et al (2003), Tourigny, Baba, Han & Wang (2013) that in terms of organizational commitment and performance relationships, many studies rely on how job performance contributes to overall company performance, including according to Dimitriadis & Papalexandris (2011) in a financial perspective.

Riketta (2002) concludes that employee organizational commitment correlates with work autonomy. Also, the types of work, workload and health conditions moderate variables that can explain and change organizational commitment and performance relationships. Organizational commitment and performance relationships are stronger when performance indicators are based on self-reporting than when they are reviewed by supervisors or with objective indicators performance.

4.3.4. Effect of market orientation on marketing performance through organizational commitment

Hypothesis 4 which states that market orientation influences marketing performance through syariah bank organizational commitment in Makassar city. Based on hypothesis testing and examination result that have been done to know the value of indirect influence (mediation of organizational commitment) that the improvement of marketing performance can be made directly, although without the aid of learning orientation as a mediator in explaining the effect of market orientation on marketing performance of syariah banks in Makassar, that the organizational commitment based on principle is the mediator in

explaining the effect.

Based on the results of testing by using the test of Sobel, the value obtained from the influence of market orientation on marketing performance through organizational commitment is 1.073 whose value is smaller than 1.98 which means not significant. The results explain that organizational commitment is not significant as a mediator in explaining the effect of market orientation on marketing performance. Based on the results of the examination to determine the type of mediator, the organizational commitment variable in the research model is said to be a non-mediating variable. This means that market orientation has a significant effect on marketing performance, market orientation has a significant effect on organizational commitment, and organizational commitment has no significant effect on marketing performance. So with the mediation of organizational commitment, market orientation indirectly cannot give a real impact on the improvement of marketing performance, and although without any mediation of organizational commitment, right market orientation can have a real effect on improving marketing performance.

The results of this study are not in line with statements from Siguaw, Brown, and Widing (1994) suggesting that market orientation affects organizational commitment, employees can be proud of this orientation and, thus, more committed to customer satisfaction. Likewise also with the statement of Kohli & Jaworski (1990) which states that a philosophy of market orientation leads to a greater sense of employee commitment, as well as more excellent team spirit. It is essential that Shaw et al., (2003) and Tourigny, Baba, Han & Wang, (2013) state that regarding organizational commitment and performance relationships, many studies rely on how job performance contributes to corporate performance whole.

4.4. Research Findings

Variables Organizational commitment has no significant effect on marketing performance; this statement can be proven through the results of testing the direct effect of market orientation on marketing performance

The variable of market orientation in this study does not affect marketing performance even though through organizational commitment variable, which means that organizational commitment is proven not as a mediating variable in explaining the effect of market orientation on marketing performance.

4.5. Limitations of Research

This study still has limitations that can result in a lack of comprehensive research although this research has resulted in findings relating to the relationship between market orientation, organizational commitment, and marketing performance, which is expected to be refined by other researchers, namely:

1. This study was conducted on five syariah banks in Makassar City; this limits the generalization of the findings of this research.
2. Generalization of research is limited to syariah bank employees who become the object of research, not with customers so crucial for further research is expected to assess from the customer side.
3. This study only observes market orientation variables, organizational commitment, and marketing performance which is an internal study of syariah banks in Makassar City, so that different variables are essential to enter for future researchers

5. Conclusions and Recommendations

5.1. Conclusion

Based on the analysis of research results and discussion, concluded as follows:

1. There is a direct positive and significant influence of market orientation with indicators of the formation of market intelligence, the dissemination of market intelligence, and responsive to the performance of marketing of syariah banks in Makassar.
2. There is a direct positive and significant influence of market orientation with indicators of the formation of market intelligence, the dissemination of market intelligence, and responsive to the organizational commitment of syariah banks in Makassar.

3. There are a direct positive influence and insignificant organizational commitment with indicators of affective commitment, ongoing commitment, and normative commitment to marketing performance of syariah banks in Makassar.
4. There are particular, indirect effect and no significant market orientation on marketing performance through organizational commitment as a mediator in Syariah banks in Makassar.

5.2. Recommendation

Based on the conclusions that have been put forward then:

1. It is advisable to Syariah banks in Makassar City to pay attention to the market intelligence indication of market intelligence in obtaining more accurate market information because the indicator of market orientation has the lowest average value and outer loading value compared to other indicators, although market orientation variables significantly influence the performance marketing.
2. It is suggested to syariah banks in Makassar City to pay attention to organizational commitment variable because the variable does not give significant influence to marketing performance, an especially indicator of continuous commitment which has average value and lowest outer loading value compared to other indicators.

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